

DREAMS LANDING CONDOMINIUM
MEETING OF THE BOARD OF DIRECTORS
Thursday, June 28, 2018

BOARD MEMBERS PRESENT:

Rusty Bergen, President
Ron Seligmann, Vice President
Scott Ashley, Treasurer
Meghan Bourne, At-Large
Nan Harrison, Secretary

OWNERS PRESENT: Christine Alvey, Leslie Ensor, Phil Lowery, Debra Padgett, Nancy Russell, Ann Marie and Mike Sopchick,

MANAGEMENT COMPANY REPRESENTATIVE: Ashley Burlock

Rusty called the meeting to order at 6:30 p.m. The minutes of the May 31st meeting were approved as written.

OWNERS' ISSUES

There is a tree in front of 1005 that has a dead branch hanging down. Ashley will report it to BrightView. Someone has planted a small tree next to the 800 building which will grow and block the view from 804. Rusty will try to find out who planted it and discuss removing/moving it.

TREASURER'S REPORT

6/28/18

Condo's Operating Fund Statement Analysis

Of the total 6K surplus in May, 7K was Timing related meaning it will (or already has) been expensed and the amount agrees to what was budgeted. (2K) was Potentially Permanent meaning we could have this unfavorable variance hold true for the year. These were offset by 1K of other favorable variances.

Of the total surplus of 16K for May YTD, 9K was Timing related, 4K is Potentially Permanent, and 3K related to other favorable variances.

May 2018	Favorable / (Unfavorable)	
<u>Timing</u>		
Accounting	(2,000)	
Insurance - Fidelity Bond	1,500	
Ground Contract	2,914	
Pool Mgmt	4,411	timing and terms of billing
Timing Subtotal	6,825	
<u>Potentially Permanent</u>		
General Maintenance	(5,133)	
Repairs - Pool	1,411	
Sewer	2,139	
Potentially Permanent Subtotal	(1,583)	
Other Favorable Variances	919	
May Surplus / (Deficit)	6,161	

May 2018 YTD	Favorable / (Unfavorable)	
<u>Timing</u>		
Accounting	(2,000)	
Insurance - Fidelity Bond	1,500	
Pool Mgmt	2,205	timing and terms of billing
Grounds Contract	2,910	
Water and Trash Income	4,124	budgeted Dec, received Feb & Mar
Timing Subtotal	8,739	
 <u>Potentially Permanent</u>		
Snow Removal	(6,268)	
Repairs - Plumbing	(2,440)	
Tree Maintenance	700	
Insurance	897	budget prepared prior to quote
Repairs - Electrical	1,901	
Repairs - Pool	2,414	
Water	3,295	
Sewer	3,981	
Potentially Permanent Subtotal	4,480	
 Other Favorable Variances	 2,599	
May YTD Surplus / (Deficit)	15,818	

We continue to transfer our 2018 budgeted amount from the operating fund to reserves, which totals 32K May YTD. We have also transferred 9K of additional operating fund dollars to the reserves, given excess cash in the operating fund. The replacement fund has 41K more cash than 12/31/17.

Marina's Operating Fund Statement Analysis

The May YTD statement shows a favorable variance of \$112. This is primarily attributed to the \$600 in docking fees, and offset by (\$375) for internet service on the security camera and (\$116) in repairs.

The replacement fund continues to be funded according to the budget, with cash in reserves totaling over \$25K at the end of May.

2017 Audit

We received the draft audit for 2017 in which they found an unqualified opinion, meaning the financial statements present fairly, in all material respects, the financial position of Dreams Landing. The Governance letter to the BOD noted the following:

- the financial statement disclosures are neutral, consistent, and clear
- there were no difficulties in dealing with management during the audit process
- there were no material misstatements that required correction
- no disagreements with management
- no consultations with other independent accountants
- reinforcement of 3 areas in their discussions with management
 - o reserve expenditures should be generally restricted to larger expenses for repairs and improvements as defined in the reserve study and they recommend small expenses are paid with non-reserve funds

- o continue the exemplary level of detail and good form provided in the Minutes from each BOD meeting
- o suggestion to review the adequacy of insurance coverage

While the scope of the audit does not include an opinion of the effectiveness of our internal controls, they did not identify and deficiencies in internal controls they would consider material weaknesses. There were minimal audit entries, confirming the superb job Brodie continues to do from a bookkeeping perspective. The few entries they did make had to do with reversing the transfer due to the replacement fund. To me, this serves as support that our decision to remove the interfund balance is the correct decision. After speaking with Bill, we will have the entire interfund balance removed from our financials by June. I have a call into Kim, the lead accountant on our audit, to clarify a few items but don't expect any delay with Ashley's 7/11/18 signature requirement.

Other

I have been in contact with Caitlin, a Senior Associate at our audit firm, and she is working on providing a thorough explanation and support for the 2016 prior period adjustment related to the fitness club and workshop balances.

COMMITTEE REPORTS

MARINA: Ron reported that the repairs to the wave screen will begin in two to eight weeks, depending on the contractor's availability. A barge will be used but it will not interfere with the use of the marina. Three new boats have been added in the past month. Ron thanked Van (503) for installing two blinking white lights on the wave screen.

ARCHITECTURAL: The committee recommended and the board approved patio work at 1007. Phil Lowry thanked the association for the work done on his back steps. He said that JMJ did a very good job.

GROUNDS: Shrubbery at the 400 building was trimmed. It was noted that low hanging limbs on the trees in the courtyard behind the 1100 building need to be trimmed.

POOL: Rusty noted that there are more toddlers in the pool this season than we have seen in years. Residents are reminded that if they have guests that are children those children do count towards the limit of four guests per unit. He also reported that last Sunday the ladies' room was a mess. There was a small child's bathing suit was left on the floor along with feces and spilled contents of the courtesy basket of shower supplies. Soiled diapers were left in the trash basket. Parents are reminded that they are responsible for their children at all times and in all areas of the pool facility. Diapers should not be disposed of in any of the pool area trash cans.

The new solar blanket has arrived. The guard has been reminded of his duties and given a checklist including, but not limited to, furniture placement, trash removal, sweeping of the pool deck, etc.

Phil Lowry volunteered to see if he can use straps from a couple of the worst lounge chairs to fix some of the others.

Several people noted that the temperature of the water heater should be turned down just a little bit.

MANAGEMENT COMPANY REPORT

BELOW ARE THE ITEMS CURRENTLY IN PROGRESS FOR THE DREAMS LANDING COMMUNITY.

- 200 Building Sewer Lines: ****BOARD ACTION**** A+ Environmental was onsite on 6/27 and televised (camera) inside the sewer lines at the 200 building. He found a few root intrusions throughout but noticed one major intrusion that was causing the most recent backups. This is located where the lateral caring all 4 units ties into the main line. 7-8 areas total that need patching/seal and he will use 4-foot patches. Turnaround for project is 2-3 days and will require no digging, and all work will be conducted from the clean-out behind Unit #202. Areas that are patch lined will carry a 20-year warranty. The warranty would cover any cracks, breaks or root intrusion's. Total \$10,000. Proposal attached for review.

A+ works with Robert Fulton who has worked with us for years. He will be involved. Ashley will get two more quick estimates just to be safe and the board will vote via email.

- Power Washing: ****INFORMATIONAL PURPOSES ONLY**** Board approved via email to proceed with power washing using Griff's Services. Services will include all vinyl siding facing the water front and the concrete pool deck + the side of 1001. Scheduling will be obtained after Independence Day.
- Tree Stump Behind 1300 Building: ****BOARD ACTION**** BrightView provided a proposal to remove debris, backfill with topsoil, apply grass seed, and install Culex for a total of \$265.

The board approved this work.

- Marina Steps Lighting: ****INFORMATIONAL PURPOSES ONLY**** JMJ confirmed that all lighting has been installed and lighting is off during the day but on at night.
- 1204- Interior Repairs: ****BOARD ACTION**** Vent on the roof was allowing water to seep inside of this unit. Exterior repairs have been made but leak continues. JMJ is going back out to perform a water test. Interior repairs remain. Scope of work is to remove the remainder of the ceiling drywall in the hall area, reinsulate that ceiling, replace that drywall and paint the area. Also, scrape the blistered paint on the living room wall, point it up and paint the accent wall. Clean the work areas and remove all job generated debris and dispose of offsite. Management obtained two proposals for interior repairs below:

NAC: \$1,794.19

JMJ: \$2,050

Tabled until JMJ determines where the water is coming into the unit.

- Retaining wall – ****INFORMATIONAL PURPOSES ONLY**** JMJ inspected wall and no confirmed no issues were found. Wall is structurally sound.
- Dead Tree- ****INFORMATIONAL PURPOSES ONLY**** Across from 1101 large tree is reported to be in bad health. Management is posting notice to homeowner responsible.

The tree was removed the day after the homeowner was notified.

- Draft Audit: ****INFORMATIONAL PURPOSES ONLY**** management obtained the draft 2017 audit for review. Original and copies of the audit were provided to Treasurer for final review and signature. Managements needs to obtain signatures no later than July 10, 2018.
- Call Log Attached: ****INFORMATIONAL PURPOSES ONLY**** (Attached)
- Delinquency: ****INFORMATIONAL PURPOSES ONLY**** No delinquencies noted

OLD BUSINESS

Now that the tree has been trimmed the flag can be flown again. Rusty and Van will donate \$500 to have electricity run to the base of the pole and the association will purchase a light.

NEW BUSINESS

Ashley was asked to obtain estimates to resume annual inspections of our sewer drain lines (laterals and mains on alternate years). She was also asked to investigate inspection of the crawl spaces every other year.

The board decided to continue the tradition of eliminating the July board meeting

There being no further business the meeting was adjourned at 7:11.

Respectfully submitted by Nan Harrison, Secretary

THE NEXT BOARD MEETING WILL BE HELD AT 6:30 P.M. ON THURSDAY, AUGUST 30, 2018

800 BUILDING, LOWER LEVEL